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## **PART 5301—FEDERAL ACQUISITION REGULATIONS SYSTEM**

### **SUBPART 5301.1—PURPOSE, AUTHORITY, ISSUANCE**

#### **5301.101 Purpose.**

The Air Force Federal Acquisition Regulation Supplement (AFFARS or AF FAR Supplement) establishes uniform policies and procedures for the Air Force implementing and supplementing the Federal Acquisition Regulation (FAR), the Department of Defense FAR Supplement (DFARS), and other DOD publications concerning contracting.

#### **5301.104 Applicability.**

The AFFARS applies to all Air Force acquisition of supplies and services which obligate appropriated funds.

### **SUBPART 5301.2—ADMINISTRATION**

#### **5301.201 Maintenance of the FAR.**

##### **5301.201-1 The two councils.**

Submit proposed revisions to the FAR, DFARS, or AFFARS through MAJCOMs to SAF/AQCP.

### **SUBPART 5301.3—AGENCY ACQUISITION REGULATIONS**

#### **5301.301 Policy.**

The AFFARS is prepared and maintained by the Chief, Contract Policy Division, Deputy Assistant Secretary (Contracting) (SAF/AQCP). MAJCOMs, FOAs, and DRUs identified in 5301.601-91 may issue FAR, DFARS, and AFFARS Supplements, if essential to their particular needs.

#### **5301.304 Agency control and compliance procedures.**

(a) MAJCOM, FOA, and DRU Director of Contracting shall establish procedures to ensure that all FAR Supplements issued within their commands comply with the control and maintenance concepts in this subpart. Submit procurement policies, regulations, procedures, clauses, and forms that require approval by the Director, Defense Procurement to SAF/AQCP for processing. The request shall include a detailed justification using the format in DFARS 201.201-1. SAF/AQCP will staff each request through the Secretariat and arrange for publication in the Federal Register. The requesting activity will be responsible for evaluating public comments and preparing a final package for SAF/AQCP to submit to the Director of Defense Procurement.

(b) MAJCOMs, FOAs, and DRUs shall send two copies of their FAR Supplement and changes when they are issued to SAF/AQCP.

### **SUBPART 5301.4—DEVIATIONS FROM THE FAR**

#### **5301.402 Policy.**

(3) Submit deviation requests as follows: (i) MAJCOMs, FOAs, and DRUs shall submit requests for class deviations and individual deviations from the five FAR/DFARS parts and subparts listed in DFARS 201.402 (1)(i) to SAF/AQCP for processing to the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition and Technology), USD(A&T)DP for approval. (ii) The Head of a Contracting Activity (HCA) and those designees identi-

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fied in 5301.601-91 are authorized to approve individual deviations for Other Contracting (see 5302.101). In addition, the Assistant Secretary of the Air Force (Acquisition), ASAF(A), who is the HCA for all programs (Major, Selected, and Other Programs—see 5302.101), has delegated the authority to approve individual deviations for contracts for all programs to the HQ AFMC Deputy Chief of Staff (DCS) for Contracting, and for any programs executed within other MAJCOMs, to the command Director of Contracting. This authority may be exercised by the DCS, Associate DCS, and the Assistant DCS.

**SUBPART 5301.5—AGENCY AND PUBLIC PARTICIPATION****5301.501 Solicitation of agency and public views.****5301.501-2-90 Procedures for publicizing in the Federal Register.**

(a) Proposed Federal Register notices shall be typewritten and double-spaced. The Air Force has been assigned Chapter 53 of Title 48 Code of Federal Register (CFR). Therefore, when preparing Federal Register notices, the responsible activity shall number the FAR Supplement as indicated in the following examples:

(1) An ACC Supplement to FAR 1.402 would be referred to as 5301.402 (ACC).

(2) Product or Air Logistics Centers within AFMC shall cite MAJCOM and activity titles, such as 5301.402 (AFMC/ESC) or 5352.225-9000 (AFMC/ESC).

(b) Forward proposed Federal Register notices through the MAJCOM, FOA, or DRU Director of Contracting to SAF/AQCP.

**SUBPART 5301.6—CAREER DEVELOPMENT, CONTRACTING AUTHORITY, AND RESPONSIBILITIES****5301.601 General.****5301.601-90 Agency head.**

As Agency Head, the Secretary of the Air Force establishes policies for, directs, and supervises the Department's activities with respect to contracting and related matters. The General Counsel, as the Secretary's legal advisor, is the final authority on all legal questions. By delegation of authority from the Secretary, established policies are implemented and other appropriate instructions are issued to lower echelons by the Assistant Secretary of the Air Force (Acquisition), ASAF(A), and the Deputy Assistant Secretary (Contracting), SAF/AQC.

**5301.601-91 Establishment of heads of contracting activities.**

(a) The Assistant Secretary of the Air Force (Acquisition), ASAF(A), is HCA for Major, Selected, and Other Programs (see 5302.101). The commanders (and when the commander is absent, the vice commanders) of the following organizations are designated HCAs for Other Contracting only (see 5302.101), subject to the conditions in 5306.304:

- (1) Air Combat Command;
- (2) Air Education and Training Command;
- (3) Air Mobility Command;
- (4) Air Force Materiel Command;
- (5) Air Force Space Command;
- (6) Pacific Air Forces; and
- (7) United States Air Forces in Europe.

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HCAs may designate the headquarters staff officer with overall responsibility for contracting in the organization to exercise any delegable HCA authority (see the definition “Designee” in 5302.101). In addition, HCAs may designate an individual to approve justifications in FAR 6.304 (a)(3), provided the individual meets the requirements in FAR 6.304 (a)(3)(i) or (ii) and is in a position in the organization no lower than the procuring activity competition advocate who is designated to exercise the authority in FAR 6.304 (a)(2).

(b) The Deputy Assistant Secretary (Contracting), SAF/AQC, is the HCA for the following organizations:

- (1) 11th Wing;
- (2) Air Force Reserve;
- (3) Air Force Special Operations Command; and
- (4) USAF Academy.

The commanders of these organizations are hereby designated the “designee” to the HCA (see 5302.101), with the power of redelegation not below the level of the staff officer with overall responsibility for contracting in the organization.

(c) Commanders of Air Force unified command components deployed in support of JCS-declared contingency operations or contingency exercises are hereby designated the “designee” to the HCA (see 5302.101). AFFARS Appendix CC further describes the flow of contracting authority in support of overseas contingencies and exercises.

(d) Commanders of MAJCOMs, FOAs, and DRUs who are not designated HCAs but who have a need for one of the HCA authorities prescribed in the FAR, DFARS, or this Supplement shall submit a request for such authority to the Deputy Assistant Secretary (Contracting), SAF/AQC.

**5301.601-92 Delegation of general contracting authority.**

(a) The Secretary of the Air Force by Secretary of the Air Force Order (SAFO) 650.4, effective 21 May 1992, in conjunction with SAFO 100.1, dated 01 May 1990, delegated general contracting authority to the Assistant Secretary of the Air Force (Acquisition) (ASAF(A)), the Principal Deputy Assistant Secretary of the Air Force (Acquisition) (PDASAF(A)), the Principal Deputy Assistant Secretary of the Air Force (Acquisition & Management) (PDASAF (A&M)), and the Deputy Assistant Secretary (DAS) (Contracting). This authority may also be exercised by the Associate DAS (Contracting) and the Assistant DAS (Contracting). This authority is hereby redelegated by the DAS (Contracting) to the commanders of the organizations identified in DFARS Subpart 202.1 and 5301.601-91 for Other Contracting only (see 5302.101). All previous delegations of general contracting authority are rescinded. This delegation is a general one, and all other existing or future delegations, regulations, or directives issued by competent authority, to the extent to which they would, expressly or by reasonable implication, limit the scope of or impose conditions or restrictions upon the exercise of the general authorities cited in the above referenced delegation instruments, shall be controlling. The authority delegated by SAFO 650.4 may be redelegated with or without the authority to make successive redelegations and under such terms, conditions, and limitations as may be deemed appropriate. This general contracting authority includes authority to enter into, execute, and approve contracts.

(b) ASAF(A) has delegated to the PDASAF(A&M) the following specific authorities:

- (1) Authority to approve, without authority to redelegate, acquisition plans (APs) as specified in 5307.104-90 (b)(1); and
- (2) Source Selection Authority (SSA), with authority to redelegate, for those Communications and Computer Acquisitions designated as a Major Automated Information System (MAIS) or estimated to require \$100 million or more and not assigned to a PEO.

(c) ASAF(A) and DAS (Contracting) retain general contracting authority. The following authorities for Major, Selected, and Other Programs are hereby delegated by the DAS (Contracting):

- (1) Through Program Executive Officers (PEOs) designated by ASAF(A), to Buying Office Contracting Official (BOCO) under the PEO, the authority to enter into, execute, and approve contracts (including change orders, supplemental agreements, and other amendments to contracts), letter contracts, and other contractual actions, including termina-

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tions and settlements, for assigned Major and Selected Programs. This authority may be redelegated to contracting officers within or supporting the program office under such terms, conditions, and limitations as may be deemed appropriate.

(2) To Designated Acquisition Commanders (DACs), the authority to enter into, execute, and approve contracts (including change orders, supplemental agreements, and other amendments to contracts), letter contracts, and other contractual actions, including terminations and settlements, for Other Programs and for Major Programs within their purview and not assigned to a PEO. This authority may be redelegated with or without the authority to make successive redelegations and under such terms, conditions, and limitations as may be deemed appropriate.

(3) To the commanders of organizations identified in DFARS Subpart 202.1 and the FOAs and DRUs in 5301.601-91, the authority to enter into, execute, and approve contracts (including change orders, supplemental agreements, and other amendments to contracts), letter contracts, and other contractual actions, including terminations and settlements, for any programs within their purview and not included in (c)(1) or (2) above. This authority may be redelegated with or without the authority to make successive redelegations and under such terms, conditions, and limitations as may be deemed appropriate.

(4) The authorities delegated in (c)(1), (2), and (3) above may be executed only by contracting officers appointed pursuant to 5301.603 and are subject to the business clearance and contract clearance requirements in Subpart 5301.90.

(d) The ASAF(A) delegates the following specific contracting authorities to PEOs/DACs for their assigned programs:

- (1) Chair Acquisition Strategy Panels (ASPs) in 5307.104-91 unless retained by SAF/AQ;
- (2) Approve acquisition plans (APs) below the thresholds that require SPE approval (see 5307.104-90);
- (3) Approve Justifications and Approvals (J&As) within statutory thresholds (see FAR 6.304 (a)(3));
- (4) Approve business clearances in accordance with Subpart 5301.90;
- (5) Approve the issuance of undefinitized contractual actions (UCAs) and exercise other approvals in DFARS Subpart 217.74;
- (6) Serve as source selection authority (SSA) when delegated by ASAF(A) in AFFARS Appendix AA. Automatically serve as Source Selection Authority for all source selections when the source selection value for the instant contract action is estimated below \$500 million for production and below \$300 million for RDT&E unless this authority is retained by the ASAF(A). For source selection activity where the instant contract action is estimated below \$500 million for production contract actions and below \$300 million for RDT&E contract actions, formal or streamlined source selection procedures may be used. Whenever ASAF(A) is the SSA, the procedures contained in AFFARS Appendix AA must be followed. For Communications and Computer Acquisition contract actions, the PEO automatically serves as SSA when the instant contract action is estimated below \$100 million;
- (7) Normally serve as source selection advisory council (SSAC) chairperson when ASAF(A) is the SSA in AFFARS Appendix AA;
- (8) Serve as Fee Determining Official (FDO) for award fee contracts, with authority to redelegate; and
- (9) Approve Determination and Findings (D&F) below the thresholds that require ASAF(A) approval (see FAR 6.202 (a)).

(e) In support of ASAF(A) as the HCA for programs and to provide consistent, expert staff support on programs to PEOs and DACs, HQ AFMC DCS for Contracting shall exercise specific contracting authorities and responsibilities as a service for ASAF(A). For any Selected Programs assigned to a PEO and executed by MAJCOMs, FOAs or DRUs other than AFMC, these authorities and responsibilities shall be exercised by the MAJCOM Director of Contracting. These authorities and responsibilities include:

- (1) Participate in Acquisition Strategy Panels (ASPs) pursuant to 5307.104-91;
- (2) Review requests for business clearance and advise the approval authority pursuant to Subpart 5301.90;
- (3) Approve contract clearances in Subpart 5301.90;



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(4) Appoint contracting officers within their commands and redelegate authority to appoint contracting officers pursuant to 5301.603;

(5) Issue guidance in command FAR Supplements and contracting regulation supplements necessary to ensure consistency between contracting for Major, Selected, and Other Programs and Other Contracting (see 5302.101) in dealing with industry and to avoid unnecessary proliferation of implementing instructions;

(6) Participate as a SSAC member, as appropriate; and

(7) Provide contracting staff support to PEOs to comply with Air Force regulations and also to respond to PEO consultation or assistance requests.

(f) As specified in this Supplement or delegated by the AFMC product or logistics center commanders, the Senior Center Contracting Official (SCCO) shall exercise similar authorities and responsibilities to those specified in (e) above as a service to ASAF(A) in support of PEOs, DACs, and program managers for contracting actions that are below the thresholds specified for HQ AFMC DCS for Contracting action. Additionally, in order to effectively use manpower resources, Center Commanders and their staffs shall provide the following additional contracting support to PEO-assigned Major and Selected Programs:

(1) Centralized writing of contract documents (at locations where this service is available);

(2) Distribution of contracts as required in FAR Subpart 4.2;

(3) Cost and price analysis and should-cost analysis in accordance with FAR 15.805 and FAR 15.810;

(4) Solicitation Review Panels;

(5) Source selection support, training, and records maintenance required in AFFARS Appendix AA and AFFARS Appendix BB;

(6) Support in using the Contractor Performance Assessment Reports, including training and records maintenance; and

(7) Support for terminations and settlements in accordance with FAR Part 49.

All program offices are encouraged to use the Center Commander's centralized staff for consultation and guidance on contracting issues. This is strongly encouraged for issues or documents requiring higher level reviews and approvals.

(g) In addition to limitations and conditions applicable to and included with individual delegations, the following subparagraphs apply to all delegations of contracting authority and are published in this subparagraph to eliminate their repetition.

(1) Authorities delegated may be redelegated, unless expressly prohibited in individual authorizations.

(2) All redelegations, withdrawals, or rescissions of authority shall be in writing over the personal signature and title of the person vested with the authority. Delegations and redelegations shall be made to official positions and not to individuals by name, except in the case of designations of contracting officers and representatives of contracting officers. The implementing acquisition command DCS for Contracting will, at the PEO's request, prepare written redelegations, withdrawals, or rescissions of authority for the PEO's signature.

(3) Delegations of authority do not affect the authority of the delegator to exercise any of the authority delegated or to issue instructions concerning the exercise of such authority.

(4) In the absence of a person occupying a position to which authority has been delegated, the authority may be exercised by the person who is occupying the position in an "acting" capacity. "Absence" means absent from the installation, on leave, or temporary duty travel. In cases of extreme emergency "absence" may be construed to mean absence from the office regardless of whereabouts, except it does not apply to redelegations of authority which must be accomplished by the person occupying the position to which authority has been delegated.

(5) The business clearance and contract clearance approval authorized by delegations of authority shall be made in person by the individual(s) occupying the position to which the authority has been delegated. Execution of such approval

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by one individual for, or over the signature of, another is unauthorized. Persons serving in an acting capacity shall execute authority as delegated, over their own name with the signature element stating the capacity in which they are acting.

(6) When contracting authority is limited as to dollar amount, the limitation includes:

- (i) Any contract instrument initially involving a sum in excess of the dollar limitation considering the aggregate of obligated and committed funds and any potential “connecting charge” or “termination liability” established in it;
- (ii) Contracts firmly negotiated for the total cost of the program but which are funded for less than total cost of the program as firmly negotiated;
- (iii) The estimated dollar amount of supplies and services to be purchased during the contract period for requirements and indefinite quantity contracts. Such contracts are required to include on their face, as an administrative recital, a bona fide estimate of the aggregate amount;
- (iv) Any contract instrument exceeding the dollar limitation which increases the allotment of funds for reimbursement under a cost-reimbursement or time-and-materials type of contract;
- (v) Any contract modification either increasing or decreasing the value of the contract by more than the dollar limitations specified by the HCA, or designee;
- (vi) Any contract modification containing both increases and decreases when the aggregate value of the changes exceeds the dollar limitations specified by the HCA or designee regardless of the net amount of the modification; and
- (vii) Utility contracts when the estimated annual service charge plus the connection or termination charge, if any, exceeds the dollar limitation.

(7) Requirements aggregating more than the dollar amount of the contracting authority delegated shall not be broken down into more than one purchase transaction for the purpose of avoiding authority limitations.

(h) In AFMC, every program will normally have two Senior Center Contracting Officials (SCCOs) and two Buying Office Contracting Officials (BOCOs) comprising two teams. One team (an SCCO and a BOCO) will support the System Program Director (SPD) and the other will support either a System Support Manager (SSM) or a Development Support Manager (DSM). Unless otherwise specified, the team referred to as “the responsible SCCO/BOCO” will be the one where the contracting is actually being accomplished. The SCCO at Space and Missile Systems Center may delegate to the BMO Deputy for Contracting the authority to act as SCCO for BMO contract actions (e.g., acquisition plans and J&As) in support of Major or Selected Programs assigned to a PEO.

#### **5301.601-93 Contracting support in emergency situations.**

Contracting support is an essential element of the Air Force response to contingency operations such as military action, natural disasters, and other similar situations. While the precise nature and scope of the contracting support to these contingencies is difficult to predict, it is clear that detailed planning and training are essential elements to effective contracting participation in these contingencies. In addition, because contingency operations may require temporary deployment of contracting officers to another command or theater, either CONUS or overseas, organizational responsibilities and the flow of contracting authority may also be affected. AFFARS Appendix CC describes the Air Force Contingency Operational Contracting Support Program (COCSP), provides policies and implementing procedures, and assigns responsibilities for contracting in support of contingency situations.

#### **5301.601-94 Legal review.**

(a) When there is doubt or controversy about the interpretation or application of contracting statutes, policies, directives, and regulations, contracting offices shall get legal advice. During all phases of major acquisitions, and particularly during the formative stages, legal advice should be sought to avoid or minimize legal problems. Each staff judge advocate is responsible for providing legal assistance and advice throughout the contracting process, but this can only be given to the extent that contracting personnel ask for it. The following are typical contracting situations in which legal assistance may be required:

- (1) *Presolicitation*. Full and open versus other than full and open competition; required J&As; required Determination and Findings; selection of contract type; use of integrating contractor versus total system performance responsibility;

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availability of adequate data and data rights; delegations; unsolicited proposals; and drafting statements of work involving environmental services, particularly those requiring: asbestos removal, lead and lead-based paint abatement, polychlorinated biphenyls (PCBs) removal and/or disposal, underground storage tank removal/closure, and hazardous material disposal.

(2) *Solicitation and award.* Appropriate special clauses (e.g., warranties, options, milestones, incentives, indemnification, organizational conflicts of interest, consequential damages, savings provisions, patent and data rights, contract funding), deviations, source selection criteria, determination of competitive range, business and contract clearances, alleged patent or copyright infringement, royalties, best and final offers (BAFOs) and closing negotiations, certified cost or pricing data, responsiveness, contractor responsibility, mistakes in bids, late bids and proposals, buy-ins, protests against award, bidders/offeror conferences and debriefings, and bonds and bailments.

(3) *Contract administration.* Allowable costs, suspensions/reductions of progress payments, and disallowances; advance agreements (see FAR 31.109); Cost Accounting Standards; defective performance (i.e., contractor or Government liability, latent defects, warranties, correction of deficiencies, excusable delays), defective pricing (10 U.S.C. 2306a); labor relations and statutes; prime and subcontractor claims; disputes and litigation; invention disclosure reports; information release (Freedom of Information Act); patent and data rights clause enforcement; Government-furnished property liability; conflicts of interest; debarments; suspensions; ratification; fraud; Public Law 85-804 claims; Congressional and GAO inquiries; contingent fee violations; amendment of delivery schedules; show cause, cure and delinquency notices; exercise of options; and compliance with contract provisions requiring adherence to one or more environmental laws.

(4) *Contract terminations and close-out.* Default notices, terminations for convenience, final contract release, and clearance of final patent and royalty reports.

(b) Commanders of MAJCOMs, FOAs, and DRUs shall issue procedures which specify the monetary thresholds for obtaining required legal review by the appropriate staff judge advocate on contractual documents issued by their activities for Other Contracting (see 5302.101). The procedures may identify any areas in which “legal problems and matters” require consultation, coordination, or review by the staff judge advocate office regardless of the dollar amount of the contract.

(c) For all Major, Selected, and Other Programs, legal review by the local staff judge advocate is required for:

(1) All contracting documents that are expected to result in an obligation to the Government or a change in contract value of \$500,000 or more;

(2) Other documents specifically designated in other parts in the FAR, DFARS, or AFFARS for legal review; and

(3) Documents below \$500,000 that the Senior Center Contracting Official and the local staff judge advocate agree should be reviewed.

(d) If agreed to by the Senior Center Contracting Official and the local staff judge advocate, for Major, Selected, and Other Programs, legal review need not be obtained for funding documents in which changes are made to revise the obligated amount and there is no change in other terms or conditions of the contract nor type of funds being used.

(e) The Senior Center Contracting Official and the local staff judge advocate shall consult to establish procedures for seeking and providing legal advice on other contracting matters pertaining to Major, Selected, and Other Programs. The PEO, System Program Director (SPD), and either the System Support Manager (SSM) or Development Support Manager (DSM) shall be consulted when establishing procedures related to assigned programs. The local staff judge advocate shall consult with SAF/GCQ when the matter under review is likely to be brought to the attention of the PEO, CAE, or higher authority.

(f) When legal review is required, it shall be obtained before execution of the document and the record of review shall be made on AF Form 3059, Staff Judge Advocate Coordination Sheet Procurement Contract, and placed in the official contract file.

**5301.602 Contracting officers.****5301.602-1 Authority.**

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Contracting officers are authorized to enter into and execute contracts funded either partially or completely with nonappropriated funds. In addition, contracting officers shall provide technical guidance and assistance to nonappropriated fund custodians upon request.

**5301.602-2 Responsibilities.**

Contracting officer representatives who perform technical monitoring of service contracts to which AFI 64-108 applies are called quality assurance evaluators (QAE). AFI 64-108 contains QAE requirements.

**5301.602-3 Ratification of unauthorized commitments.**

(b)(3)(i) The authority to ratify an unauthorized commitment involving a Major, Selected, or Other Program (see 5302.101) is retained by ASAF(A). The authority to ratify an unauthorized commitment involving Other Programs or Major Programs not assigned to a PEO and within the purview of an AFMC Center is delegated to the commander of these organizations for actions less than \$25,000, with authority to redelegate.

(ii) When an unauthorized commitment involves a Major or Selected Program under a PEO or exceeds the authority delegated in (a) above, the organization's Director of Contracting shall review and process the ratification package through SAF/AQC (and for assigned programs, the PEO) for ASAF(A) approval, if appropriate.

(iii) The authority to ratify an unauthorized commitment involving Other Contracting (see 5302.101) of the organizations specified in DFARS Subpart 202.1 and 5301.601-91 (b) is delegated to the commander of these organizations, with authority to redelegate.

(iv) When an unauthorized commitment occurs within a tenant organization, including those activities listed in 5301.601-91 (b), the host command shall investigate, process, and, if appropriate, approve the ratification. The host command shall provide copies of the ratification to the tenant's parent organization.

(c)(7) The official delegated the authority to ratify unauthorized commitments shall establish ratification procedures.

**5301.602-90 Organizational placement of contracting officers.**

Commanders and others having administrative supervision over contracting officers shall bear in mind that acts exceeding the delegated powers of the contracting officer do not bind the Government and shall refrain from directing contracting officers to take action which might expose the contracting officer to serious consequences. The office of the contracting officer shall be placed at a level in the local organization which will protect it from intraorganizational pressure to perform improper acts or expose the contracting officer to personal risk and the Air Force to criticism.

**5301.603 Selection, appointment, and termination of appointment.****5301.603-2 Selection.**

In addition to the requirements in the FAR, contracting officer appointments shall be limited to:

- (1) Commissioned officers who have been awarded Air Force Specialty Code (AFSC) 64PX;
- (2) AFSC 6C0X1 personnel possessing a contracting Level I or II certification in the Acquisition Professional Development Program (APDP); or
- (3) Fully qualified civilians in the GS-1102 occupational series, possessing a Contracting Level I or II certification in the Acquisition Professional Development Program, who occupy a manning authorization listed under these specialty codes.

**5301.603-2-90 Limited contracting officer authority.**

Limited contracting officer authority may be granted for the following categories of personnel, including authority in contingency contracting situations (see table below).

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(a) Military personnel in AFSCs 64PX and 6C0X1 and civilians in the GS-1102 occupational series who possess a minimum Contracting Level I certification may be granted limited contracting officer authority. (See row (a) in table below.)

(b) Contracting personnel who do not possess a Contracting Level I certification may be given a limited contracting officer warrant at the direction of the contracting squadron commander/base contracting officer. The warrant shall be limited to a dollar amount and method of award consistent with the training, contracting experience, and demonstrated business judgment of the individual. (See row (b) in table below.)

(c) When using other than micro-purchase techniques, noncontracting personnel, such as transportation personnel (limited to performance of contracting functions in accordance with DODD 4500.34R, AFR 75-17, and AFM 75-2), medical supply personnel, librarians, and chiefs of construction management may be granted limited contracting authority for transactions when the following conditions are present (see row (c) in table below):

(1) The personnel are in a middle to senior level position. Military personnel should be commissioned officers or non-commissioned officers E-6 and above and civilians should be GS-7 or above;

(2) The authority must contain a specific dollar limit per transaction and be limited to the method of award and to the commodity related to that specialty. For example, librarians should be authorized to buy books (commodity), from pre-priced blanket purchase agreements, Federal Supply Schedule, or open market (methods of award), but not construction materials, etc.;

(3) The personnel must have completed the Defense Small Purchase Course. This course, which is obtained by the individual's functional training monitor, may be taken either in residence or by correspondence. The individual's MAJCOM shall reimburse the school for the cost of the course. Waiver requests must be submitted in writing and approved by the Contracting Squadron Commander/Chief of Contracting and the MAJCOM/LGC/PKO.

(d) Personnel authorized to award micro-purchases must be appointed as specified in 5301.603-3 (b).

Contracting Personnel Category	Micro-purchases Authority	FSS GSA/VA DOs	BPA Calls	Open Mkt. ≤\$25K*	Open Mkt. >\$25K*	IDIQ DOs	BOA Orders	Provisioning in DFARS Subpart 217.76
(a) With ≥ Level I Contracting Certification **	X	X	X	X	X	X	X	X
(b) Without Level I Contracting Certification **	X	X	X	X				
(c) Non-Contracting	X	X	X (Prepriced)					

NOTE: This table identifies maximum authority by type of award document. Warrant must specify dollar amounts and any limitations in specific categories.

\* \$25,000 limitation established because of synopsis and DD 350 reporting requirements.

\*\* Includes contingency contracting officers (CCOs).

### 5301.603-3 Appointment.

(a) Authority to appoint contracting officers is included in the authority of the HCA (see 5301.601-91) and the delegations of general contracting authority (see 5301.601-92 (a)). In order to provide a consistent system and delegations of authority to appoint contracting officers for Major, Selected, and Other Programs, as well as Other Contracting (see

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5302.101), the authority to appoint contracting officers is delegated to the MAJCOM, FOA, and DRU DCS for Contracting and Directors of Contracting, with authority to redelegate to field activity Directors of Contracting.

(b) Contracting officer appointment authority for limited contracting officers may be delegated to the chief of each contracting office. The chiefs of contracting offices receiving such authority shall establish procedures for selection of qualified personnel, appointment, and termination of appointment. Contracting personnel must be appointed on a SF 1402 to award micro-purchases. IMPAC card holders must be appointed by a written delegation of contracting authority to award micro-purchases.

(c) The commander or deputy commander of a base, division, wing, and so forth, and, in the case of AFMC activities, the Director of Contracting (or equivalent) shall review and sign the request for designation of a contracting officer. However, if this individual is the appointing authority, the request shall be reviewed and signed by the officer (or civilian) immediately subordinate. Chief of the USAFE contracting centers shall sign such request for officers serving with the USAFE contracting centers. Appointing authorities for contracting officers have the authority to waive the qualification requirements stated in 5301.603-2 when the best interests of the Air Force will be served. In such cases, the justification for granting the waiver shall be in writing and approved by the appointing authority. The request shall include:

- (1) A résumé of the applicant's qualifications;
- (2) A statement by the person signing the request that the qualifications in the résumé were verified against the applicant's personnel file;
- (3) If the applicant is not an employee of the requesting activity and the applicant's qualifications are known, a statement that the applicant is qualified; and
- (4) If the applicant is not an employee of the requesting activity and the applicant's qualifications are not known, a summary of an interview of the applicant and the chief or deputy chief of purchasing office. The summary shall include a statement that the applicant is qualified. If the applicant is located at a distance which makes it impractical and uneconomical to conduct an interview, this requirement shall be waived. Justification for not having an interview may be included. However, the statement that the applicant is qualified shall still be made.

(d) Requests for designation of redistribution and marketing (R&M) personnel as a sales contracting officer shall be signed by the chief of the R&M activity and forwarded to the MAJCOM R&M staff office. Requests for designation of the chief of an R&M activity shall be initiated by the MAJCOM R&M officer or deputy R&M officer.

(e) All appointments shall be reviewed at least once every five years by the appointing authority to determine whether each contracting officer has maintained professional proficiency and otherwise remains qualified. Warrant authority shall be terminated or reduced in scope, when appropriate.

(f) Each appointing authority shall promptly distribute copies of instruments of appointment as follows:

- (1) Original to the individual appointed;
- (2) One true copy to the individual appointed (to be furnished by that individual to the accounting and finance officer, if requested);
- (3) One true copy to the activity having custody of the military personnel field record for permanent retention in the personnel file of each military contracting officer; and
- (4) One copy to the servicing Civilian Personnel Office having custody of the civilian personnel records for input into the Personnel Data System-Civilians (PDS-C) of the type, date, and amount of the instrument.

**5301.603-4 Termination.**

Each appointing authority shall promptly distribute copies of the instrument terminating a contracting officer's authority to the addressees indicated in 5301.603-3 (f).

**5301.690 Contracting authority of other personnel.**

Only the following purchases may be made by individuals other than duly appointed contracting officers:

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- (1) Micro-purchases in accordance with FAR Part 13, whether by imprest fund (see FAR Subpart 13.4), SF 44 (see FAR Subpart 13.5), IMPAC (see FAR Subpart 13.6), or other means, provided the individual has been trained in the use of the procedures and has written authorization from the contracting officer;
- (2) Purchases of fuel, oil, and repairs in accordance with AFI 23-202;
- (3) Emergency purchases of medical supplies and equipment in accordance with AFMAN 23-110, Volume 5, Chapter 16, Paragraph 11, followed by issuing a confirmatory purchase order by the base contracting office or a cash purchase receipt by a cash purchasing officer;
- (4) Partial tuition assistance in accordance with AFI 36-2306;
- (5) Tuition or registration fees for intergovernmental agency training;
- (6) Nonappropriated fund custodians in accordance with AFMAN 64-302; and
- (7) Supplemental care referrals by the Director of Base Medical Services, in accordance with AFI 41-101, Chapter 3.

**SUBPART 5301.90—CLEARANCE PROCESS**

**5301.9000 Scope and applicability.**

(a) This subpart establishes business clearance and contract clearance requirements for Major, Selected, and Other Programs (see 5302.101). Any Supplements to this subpart that apply to Major, Selected, or Other Programs must comply with 5301.9006-6.

(b) Clearance requirements for Other Contracting (see 5302.101) and for all sealed bidding actions are prescribed in MAJCOM FAR Supplements. MAJCOMs shall use the policy (see 5301.9001), definitions (see 5301.9002), standards (see 5301.9004 and 5301.9005), and application (see 5301.9006-3 and 5301.9006-4) in this subpart. Beyond this common baseline, however, MAJCOMs may prescribe internal clearance procedures for Other Contracting that meet the individual command's needs.

**5301.9001 Policy.**

The objectives of the Air Force clearance process are to ensure that:

- (a) Solicitations effectively implement approved acquisition strategies;
- (b) Negotiation objectives represent fair and reasonable business arrangements and are consistent with law and regulation;
- (c) Negotiated contract prices, terms, and conditions conform to approved business clearance parameters;
- (d) Contracts clearly reflect the complete agreement of the parties and are consistent with laws, regulations and policies; and
- (e) Air Force management is provided feedback on the operation of its contracting system, implementation of contracting policies, and the quality of contract actions, allowing management to foster continuous process improvement.

**5301.9002 Definitions.**

“Begin negotiations” means, for the purpose of noncompetitive acquisitions, starting discussions with an offeror for the purpose of reaching agreement on all aspects of the proposal, including terms and conditions and the pricing arrangement. A contracting officer is not considered to “begin negotiations” if the contracting officer obtains audits and performs fact-finding necessary to evaluate the proposal(s) and develop the Government’s negotiation objective(s).

“Business Clearance” means:

- (1) For competitive acquisitions, approval to:
  - (i) Award without discussions; or

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(ii) Request best and final offers (BAFOs) in accordance with FAR 15.611.

and

(2) For noncompetitive acquisitions, approval to begin negotiations.

“Competitive acquisition” means any action that does not meet the definition in this subpart of “noncompetitive acquisition.” Examples of competitive acquisitions include procurements using (1) full and open competition; (2) competitive procedures (see FAR 6.102) used to fulfill the requirements of full and open competition; and (3) statutory authorities for other than full and open competition (see FAR Subpart 6.3) when more than one offer was received.

“Contract Clearance” means authorization to award a contract implementing the negotiated business arrangement.

“Noncompetitive acquisition” means a “sole source acquisition” as that term is defined in FAR 6.003. Examples include procurements (1) using the authority in FAR 6.302 to negotiate with only one source; (2) conducted on a sole source basis to continue or add to a specific program previously competed where the “follow-on” procurement was necessitated by prior acquisition decisions; and (3) modifications negotiated on a sole source basis even if the contractor was awarded the basic contract as a result of competition.

“Request for Business Clearance (RBC)” means the document (see Attachment 5301-2) prepared by the contracting officer to obtain business clearance.

“Request for Contract Clearance (RCC)” means the document (see Attachment 5301-3) prepared by the contracting officer to obtain contract clearance.

“Request for RFP Review (RRR)” means the document (see Attachment 5301-1) prepared by the contracting officer to obtain RFP Review.

“Review” means analysis of records pertaining to the action for which approval is requested to ensure that the proposed action meets applicable standards established in 5301.9004 or 5301.9005. The review is performed by competent individuals on the staff of the Business Clearance Reviewing Authority (BCRA) or Contract Clearance Approval Authority (CCAA), and involves reviewer interaction with contracting and other program office personnel. As used in this subpart, “review” does not include staff consultation (e.g., in-process review of unique terms and conditions for the purpose of providing advice) obtained in the course of preparing contractual documents.

### **5301.9003 Roles and responsibilities.**

#### **5301.9003-1 General.**

The effectiveness and efficiency of the clearance process depends on each participant performing the roles specified in 5301.9003-2 and accepting associated responsibilities.

#### **5301.9003-2 Specific.**

(a) *Component Acquisition Executive (ASAF(A))*. The CAE who is also the Senior Procurement Executive (SPE):

- (1) Establishes and maintains the clearance process;
- (2) Uses the process as a system of internal controls, which serves as a basis for the annual certification of the Air Force procurement system required by Executive Order 12352;
- (3) Obtains feedback on the operation of the process; and
- (4) Directs actions to ensure the process achieves its objectives and is subject to continuous process improvement.

(b) *Deputy Assistant Secretary (Contracting) (SAF/AQC)*:

- (1) Implements ASAF(A) direction, prescribing the clearance process in this subpart;
- (2) Facilitates and monitors Air Force-wide operation of the process;
- (3) Establishes and maintains the feedback system;



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- (4) Periodically assesses the policies and thresholds for review and approval requirements; and
- (5) Makes recommendations to ASAF(A).
- (c) *Approving Authority*. Approving authority delegations are in 5301.9006-5. The approving authority shall:
  - (1) Ensure the objectives stated in 5301.9001 are achieved in each action approved; and
  - (2) Consider the request for business clearance consistent with 5301.9009 and, if the request meets established standards, approve the request by signing a business clearance in the format prescribed in Attachment 5301-4; or
  - (3) Consider the request for contract clearance consistent with 5301.9012 and, if the request meets established standards, approve the request by signing a contract clearance in the format prescribed in Attachment 5301-5.
- (d) *Business Clearance Reviewing Authority (BCRA)*. Reviewing authority delegations are in 5301.9006-5. The reviewing authority shall:
  - (1) Be the primary staff advisor to the approving authority with regard to the specific request for business clearance and ensure that the approving authority has all information needed to make an informed decision; and
  - (2) Review each Request for Business Clearance (RBC) and supporting source documents to ensure the action for which clearance is requested meets the standards established in 5301.9004. If standards are not met, the reviewing authority shall identify the deficiencies, assist in resolution, and advise the approving authority as appropriate.
- (e) *Contracting officer*. The contracting officer is:
  - (1) A member of the program manager's team in planning the acquisition and managing its contractual aspects;
  - (2) The leader of the team responsible for negotiating the contract price, terms, and conditions, consistent with FAR 15.803 (c);
  - (3) The individual responsible for requesting business clearance and contract clearance, consistent with this Supplement; and
  - (4) The agent of the United States Government authorized to enter into contracts (see FAR 1.602-1).
- (f) *MAJCOMs*.
  - (1) The MAJCOM headquarters shall implement the clearance process for Major, Selected, and Other Programs (see 5302.101) by:
    - (i) Performing the RFP reviews and functioning as the business clearance reviewing authority and contract clearance approving authority. In AFMC, the headquarters will provide clearance support to the PEOs and DACs in accordance with Attachment 5301-6;
    - (ii) Ensuring field activities have the contracting resources needed to:
      - (A) Survey the market, solicit proposals, evaluate and negotiate proposals, and award contracts; and
      - (B) Maintain functional expertise to provide informed advice and assistance to contracting officers;
    - (iii) Ensuring the staff views its role as facilitating the award of contracts that satisfy user needs and effectively implement program management directives;
    - (iv) Ensuring that staff advice, assistance, and clearances are consistent with laws, regulations, and policies; and
    - (v) Ensuring FAR Supplements regarding the clearance process comply with 5301.9006-6.
  - (2) In AFMC, the SCCO and the BOCO will provide clearance support in accordance with Attachment 5301-6.
  - (3) Delegation of clearance authorities to MAJCOMs is established in 5301.9006-5.

**5301.9004 Business clearance standards.**

- (a) In competitive acquisitions, each RBC, together with supporting source documents, must establish that:

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- (1) All evaluation, negotiation, and contractual issues have been resolved;
- (2) The contract (to be awarded without discussions or to accompany the request for BAFO) is sound; and
- (3) The contemplated action complies with laws, regulations, and policies.
- (b) In noncompetitive acquisitions, each RBC, together with supporting source documents, must clearly establish that:
  - (1) The negotiation objectives represent a fair and reasonable business arrangement in terms of both price and contract terms and conditions; and
  - (2) The contemplated business arrangement complies with laws, regulations, and policies.

**5301.9005 Contract clearance standards.**

- (a) In competitive acquisitions, each RCC, together with supporting source documents, must:
  - (1) Establish the exceptional circumstances (see 5301.9012-1 (b)) or issues necessitating the clearance; and
  - (2) Provide convincing evidence that the exceptional circumstances or issues have been resolved in a manner consistent with laws, regulations, and policies.
- (b) In noncompetitive acquisitions, each RCC, together with supporting source documents, must clearly establish that:
  - (1) The negotiation achieved approved objectives in terms of both price and contract terms and conditions, or, where this is not the case, the departure from the approved objective is necessary, prudent, and well documented in the contract file; and
  - (2) The resulting contractual action reflects the negotiated agreement and is consistent with laws, regulations, and policies.

**5301.9006 General requirements.****5301.9006-1 Review and approval thresholds.**

The clearance process applies to all actions described in 5301.9006-3. The approving and reviewing authorities for any given action are based on the type of program (Major, Selected, or Other), type of action (development/production or support/sustainment), and the dollar value (see 5301.9006-5 and Attachment 5301-6).

**5301.9006-2 Resolving disagreements.**

There may occasionally be a disagreement among participants on some aspect of a business clearance or contract clearance. This may involve the reviewing authority and approving authority addressing a given request for business clearance. It may also occur when the program manager or contracting officer disagrees with the approving authority for a business clearance or contract clearance. In the event of such a disagreement, the matter shall be promptly elevated for resolution. If not resolved at a lower level, the matter will be decided by ASAF(A).

**5301.9006-3 Contract actions requiring review and approval.**

- (a) The contract actions identified below require business clearance and, if noncompetitive, contract clearance.
  - (1) An action intended to result in award of a negotiated contract or modification of any contract. Actions that create an undefinitized contractual action (UCA), undefinitized change order, or undefinitized long lead contract are excluded (see 5317.74 for UCA approval authorities);
  - (2) An action intended to result in definitization of a UCA, an undefinitized change order, or an undefinitized long lead contract, or in the pricing of:
    - (i) An unpriced option or an option with only a not-to-exceed price;
    - (ii) Provisioned items orders (PIOs); or
    - (iii) Unpriced orders under Basic Ordering Agreements;

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- (3) An action intended to result in issuance of a modification implementing a unilateral price determination;
  - (4) Priced orders issued under Basic Ordering Agreements;
  - (5) An action intended to result in the exercise of an option when the option exercise is not in strict accordance with the previously approved pricing arrangement or other contract terms and conditions; and
  - (6) Other individual actions, as specified by the ASAF(A).
- (b) Requirements shall not be broken down into more than one purchase transaction for the purpose of avoiding requirements for business clearance or contract clearance at a higher echelon.
- (c) For Major, Selected, and Other Program contract actions identified in paragraph (a) that have a dollar value less than \$5 million:
- (1) BOCOs may delegate RFP review responsibility, BCRA, and CCA to a level no lower than the contracting officer;
  - (2) PEOs/DACs/SPDs may delegate Business Clearance Approval Authority (BCAA) below the SSM/DSM level. However, delegation may be no lower than the contracting officer or an equivalent level in the program management chain; and
  - (3) The formal procedures in 5301.9007 through 5301.9012 may be waived by the approval authority. However, the objectives of the clearance process apply to contract actions below \$5 million.

**5301.9006-4 Determining the value of contract actions.**

- (a) The thresholds in Attachment 5301-6 apply to the sum of the value of the basic portion of the instant acquisition plus:
- (1) Any options (including those that are priced only on a not-to-exceed basis);
  - (2) Sums reserved for provisioning; and
  - (3) The value of contingencies, such as ceilings, award fee, and performance incentives.
- (b) For example, the following actions would exceed a threshold of \$50 million:
- (1) A basic \$49 million contract for a system, with an additional \$1.5 million obligated or specifically committed for provisioning;
  - (2) Basic contract for \$45 million with an option for \$10 million;
  - (3) FPIF contract with target price of \$47 million and ceiling of \$52 million; and
  - (4) A multiyear contract where the value of the first program year is \$15 million, and the value of all program years is \$60 million.
- (c) The “value” of modifications implementing both increases and decreases to the contract price is the sum of the absolute values of the increases and decreases and not the net amount. For example, an increase of \$45 million and a decrease of \$10 million would give the modification a “value” of \$55 million.
- (d) An action, whether or not considered to be within the general scope of the contract, that significantly alters (e.g., restructures or rephases) the contract, or any action in which the resolution of claims is a significant part of the consideration for a revised delivery schedule or reduced requirements, shall be considered to have the value of the contract being modified and shall be subject to approval by the same level of authority that would be required to award the contract being modified.

**5301.9006-5 Delegation of clearance approval authority.**

For Major, Selected, and Other Programs (see 5302.101), the ASAF(A) delegates business clearance and contract clearance approval authority through SAF/AQC:

- (a) Within AFMC, to the individuals occupying the positions designated as reviewing or approving authorities in Attachment 5301-6 for programs assigned to PEOs or DACs. These authorities may not be redelegated, except as specifically indicated in Attachment 5301-6 or as follows:

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(1) Where Attachment 5301-6 designates “AFMC/PK” as the reviewing authority or contract clearance approving authority, this authority may be exercised by the Director of Contracting, the Deputy Director of Contracting, or the Deputy Director for Program Support and Business Clearance;

(2) The BCRA and CCAA for development/production actions under \$100 million and support/sustainment actions under \$50 million will be the Senior Center Contracting Official (SCCO) or Buying Office Contracting Official (BOCO) where the contracting is actually being accomplished, even if the System Program Director is located elsewhere; and

(3) When clearance authority is delegated by letter, modify the wording in paragraph 1 of the clearance document shown in Attachment 5301-4 or 5301-5, as appropriate. For example, if AFMC/PK delegates contract clearance then the clearance document should read substantially as follows:

“As the contract clearance approving authority delegated by AFMC/PK letter dated [insert date], I hereby approve the referenced (b) request.”

(b) For PEO programs managed outside AFMC, the business clearance approving authority will be the PEO. The business clearance reviewing authority and the contract clearance approving authority for these programs will be the MAJCOM Director of Contracting;

(c) To the commanders of MAJCOMs identified in DFARS Subpart 202.1 and FOAs and DRUs in 5301.601-91 for any programs within their purview and not included in (a) above. This includes the authority to establish business clearance approving and reviewing authorities and contract clearance approving authorities; and

(d) Commanders of procuring activities identified in 5306.304 (a)(2) not specifically delegated authority in (a) through (c) above, but who have a need for clearance authority, shall submit a request for such authority to the Deputy Assistant Secretary (Contracting), SAF/AQC.

**5301.9006-6 Clearance requirements established by MAJCOMs and suborganizations.**

(a) Any clearance procedures for Major, Selected, or Other Programs established by MAJCOMs or suborganizations shall:

(1) Provide an independent assessment of proposed contractual actions and enable local management to achieve the objectives of the clearance process stated in 5301.9001;

(2) Be consistent with 5301.9007 through 5301.9012; and

(3) Require that the BCRA for a given contractual action normally be established as the RFP reviewer and CCAA.

(b) All command and suborganization FAR Supplements regarding the clearance process are subject to review by SAF/AQC.

**5301.9006-7 Relationship between the business clearance and source selection processes.**

In competitive acquisitions, the business clearance process occurs during the course of the on-going source selection process. The following relationships apply:

(a) The source selection authority (SSA) performs the role and responsibilities of the business clearance approving authority, except when ASAF(A) is the source selection authority for a Major or Selected Program acquisition. In those cases, the SSAC chairperson, normally the PEO, shall be the business clearance approving authority, unless the SSA specifies otherwise.

(b) Business clearance is a necessary step leading to the source selection authority’s decision to either:

(1) Issue a request for best and final offer (BAFO); or

(2) Award without discussions.

(c) The business clearance process is completed prior to the related source selection event (e.g., briefing to the SSA in the case of award without discussions) or decision (e.g., SSA approval to end discussions and issue the request for BAFO).

**5301.9006-8 Postaward review.**

All acquisitions are subject to postaward review of the resulting contract(s). The reviewing authority shall perform postaward reviews for the purposes of evaluating and continuously improving processes and policies, using a representative sampling of field contracting actions. Only documents specifically requested by the reviewing authority must be submitted for postaward review.

**5301.9006-9 USD(A&T) review of request for proposals (RFPs) and contracts.**

(a) USD(A&T) may require review of RFPs and contracts for ACAT ID programs (see DOD 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Acquisition Programs) in demonstration/validation, engineering and manufacturing development, or initial production phase prior to release/award or announcing the selected offeror(s). For purposes of USD(A&T) review, Initial Production means first LRIP buy only. For these programs, the PEO/DAC shall notify SAF/AQC, with an informational copy to HQ AFMC/PK, not later than 45 days prior to scheduled RFP release, announcement of selected offeror(s), or contract award. The following information shall be provided:

(1) Program name;

(2) Brief program description, including current phase;

(3) A description of the planned acquisition action, including estimated dollar value and the type (CPAF, CPIF, FPIF, etc.) of contract. Describe any options that are included and their pricing arrangements including contract type and whether firmly priced or NTE;

(4) Provide the planned date for the action, and if that date is critical, the program impact if it is not completed on time; and

(5) In sole source or follow-on actions or down-selects in which the competitors are publicly known, provide the contractor(s) name(s).

(b) Within five days of receiving the PEO's/DAC's notification, SAF/AQCS will notify USD(A&T) of the pending action and request a determination if a review is desired.

(c) For those actions selected by USD(A&T) for review, SAF/AQCS will notify the PEO/DAC and AFMC/PK. Once an action is identified for review, the RFP/contract (including the statement of work and specification) shall simultaneously be submitted to AFMC/PK and SAF/AQCS for review. After receipt of the documents for review AFMC/PK and SAF/AQCS will normally have up to 15 work days to complete their review. AFMC/PK will act as the single focal point to coordinate issues/comments with the appropriate SPO. The simultaneous SAF/AQCS and AFMC/PK reviews shall be to:

(1) Give these organizations an opportunity to become familiar with the RFP/contract in order to relay or answer USD(A&T) questions; and

(2) Identify potential USD(A&T) policy issues relevant to the instant RFP/contract.

(d) If an action is selected for review, the PEO should revise the acquisition schedule as appropriate. The RFP or contract, when approved for release by the PEO, shall be submitted to SAF/AQCS in three copies.

**5301.9007 Solicitation review.**

(a) All solicitations must be reviewed if the resulting contract action is expected to require business clearance in accordance with 5301.9006-3. The reviewing authority for the contemplated business clearance shall be the reviewing authority for the RFP, except as prescribed in Attachment 5301-6 for noncompetitive acquisitions. Attachment 5301-6 prescribes the reviewing authority for RFPs, both competitive and noncompetitive, by type of program, type of action, and dollar value of action.

(b) The contracting officer shall send the Request for RFP Review in the format presented in Attachment 5301-1, with the RFP and supporting file to the reviewing authority before issuance or concurrent with issuance, at the contracting officer's option. When time permits, the contracting officer should send the RFP before issuance so feedback can be incorporated without amending the solicitation.

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(c) The RFP reviewing authority is responsible for ensuring that the solicitation implements the approved acquisition strategy and that its terms and conditions are sound. The contracting officer shall use best efforts to implement recommendations, provide additional data, and resolve matters as much as possible with the reviewing authority. In the event issues cannot be resolved, either the reviewing or approving authority may raise the issue to SAF/AQ for resolution. (See 5301.9006-2).

**5301.9008 Content of the Request for Business Clearance (RBC).**

(a) *RBC format and content.* The RBC shall contain information in the format presented in Attachment 5301-2.

(b) *Related documents.* The contracting officer shall provide the following documents, as applicable, with the RBC. In Major or Selected Program competitive acquisitions, these documents will normally be retained for on-site review by the reviewing authority's staff (see 5301.9009 (c)(1)).

- (1) The Request for Proposals, including any amendments;
- (2) The preliminary price negotiation memorandum (PNM) prepared in accordance with FAR 15.808 to the extent required information is available prior to beginning negotiations. The preliminary PNM will include a description of the:
  - (i) Proposed position;
  - (ii) Field pricing recommendations; and
  - (iii) Government's negotiation objective.

The preliminary PNM will not include the considered negotiated position. However, when the RBC requests approval to award without discussions, it will be supported by a complete "final" PNM. The preliminary PNM is not required in RBCs requesting approval to issue a request for BAFOs;

- (3) The proposed request for BAFOs, including the cover letter, the proposed contract, and any other attachments referred to in the cover letter;
- (4) Determination of adequate price competition in accordance with FAR 15.804-3 (a)(1) and (b) and supporting documentation;
- (5) The official contract file, including all applicable items in the Contract File Content Checklist (AF Form 3019). This file shall include technical evaluations, evidence of legal review (AF Form 3059), as otherwise required, DCAA audit reports, any other field pricing reports, and the should-cost results, if applicable;
- (6) The offeror(s)' proposal(s). When requesting approval to award without discussions, only the proposal(s) of the successful offeror(s) must normally be submitted. If the proposal is voluminous, consult the reviewing authority's staff for guidance on what portions of the proposal to submit;
- (7) In competitive acquisitions (see 5301.9006-7), the following source selection documentation:
  - (i) Source Selection Plans;
  - (ii) Competitive range determinations; and
  - (iii) If requesting clearance to award without discussions, a written statement by the SSEB chairperson (or equivalent) that the SSEB intends, having the concurrence of the contracting officer and the SSAC chairperson (or equivalent), to convene the SSAC for the purpose of recommending award without discussions;

and

- (8) Business clearance charts in accordance with 5301.9010-5 and 5301.9010-6.

**5301.9009 Business clearance procedures for competitive and noncompetitive acquisitions.**

- (a) The contracting officer shall prepare a Request for Business Clearance (RBC) in accordance with 5301.9008.
- (1) In competitive acquisitions, the RBC constitutes the contracting officer's request for approval to:
    - (i) Proceed to award without discussions; or

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- (ii) Request best and final offers.
- (2) In noncompetitive acquisitions, the RBC constitutes the contracting officer's request for:
  - (i) Approval of negotiation objectives; and
  - (ii) Authority to begin negotiations with the contractor.
- (b) The contracting officer shall send the RBC to the reviewing authority. For Major and Selected Program competitive acquisitions, the RBC's related documents should be retained on-site pending arrival of the reviewing authority's staff. The contracting officer will normally schedule seven work days for the review and keep the reviewing authorities staff advised of the source selection schedule so that travel arrangements can be made and the review expeditiously accomplished.
  - (1) When requesting approval to award without discussions, send the RBC:
    - (i) After the SSEB (or equivalent), with the concurrence of the contracting officer and the SSAC chairperson (or equivalent), has decided to convene the SSAC and to recommend award without discussions; and
    - (ii) Before the SSAC Analysis Report (or equivalent) is finalized. The references to source selection groups and documentation are based on AFFARS Appendix AA. Equivalence can be determined by referring to AFFARS Appendix BB or to FAR Subpart 15.6.
  - (2) When requesting approval to issue a request for BAFO, send the RBC after concluding written or oral discussions. The preliminary PNM (see 5301.9008 (b)(2)) does not apply.
- (c) The reviewing authority shall take the following actions:
  - (1) Review the RBC in accordance with 5301.9003-2 (d)(2). (For Major or Selected Program competitive actions, the reviewing authority's staff shall normally conduct its review on-site at the contracting activity.);
  - (2) Discuss with the contracting officer any elements that do not meet the standards in 5301.9004, and provide advice on how they can be corrected. Their mutual objective is to refine the RBC package so that both the reviewing authority and the contracting officer consider it to meet the standards before the RBC is presented to the approving authority. If the contracting officer provides additional information or changes that correct the deficiencies, the reviewing authority shall incorporate those corrections into the RBC;
  - (3) Notify the contracting officer if a business clearance session is required (see 5301.9010); and
  - (4) When a business clearance session is not required, either discuss the action with the approving authority or provide written advice to the approving authority in accordance with 5301.9003-2 (d), and prepare a proposed business clearance (see Attachment 5301-4) for the approving authority's signature.
- (d) In deciding how to respond to the RBC, the approving authority shall use the RBC, the reviewing authority's analysis of the RBC and all related documents, and, when a business clearance session is held, any additional insight provided during the session. Consistent with 5301.9003-2 (c)(ii), the approving authority shall decide to approve the RBC, approve it with conditions, or disapprove it.
  - (1) The decision to approve the RBC shall be documented by the approving authority signing a business clearance (see Attachment 5301-4). In noncompetitive acquisitions, the approving authority may specify a range for the overall Government objective and for specific elements.
  - (2) The decision to approve the RBC with conditions shall be documented by the approving authority signing a business clearance that enumerates the conditions that must be met before the contracting officer proceeds with the requested action.
  - (3) The decision to disapprove the RBC shall be documented by the approving authority signing a letter to the contracting officer that:
    - (i) Cites the RBC;
    - (ii) States that the RBC is disapproved;
    - (iii) Establishes a date by which a revised RBC must be submitted; and

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- (iv) Identifies the issues that must be resolved before the revised RBC is submitted.
- (e) 5301.9006-2 applies.
- (f) If the business clearance document states conditions, the contracting officer shall not proceed with the requested action until all conditions have been met. The contracting officer shall document in the contract file the specific actions taken to satisfy each condition.
- (g) In noncompetitive acquisitions, no further communication with the business clearance reviewing and approving authorities is required, unless there is a need for a substantial change from the approved clearance.
  - (1) If there is doubt as to whether a revised clearance is needed, contact the reviewing authority's staff. Examples of changes that would require approval, include:
    - (i) A change in contract type;
    - (ii) A major change in the quantity or the nature of what the Government is buying; and
    - (iii) A major change of a contract term or condition (e.g., a warranty), if that term or condition was considered critical by the BCAA when the RBC was approved.
  - (2) In order to reach settlement on price, the Government may have to make an offer or agree to a price outside the range specified in the business clearance document (see 5301.9009 (d)(1)). In such cases, the contracting activity shall obtain revised clearance from the reviewing and approving authorities.
  - (3) If a revised clearance is needed, the contracting officer, through and with the advice of the business clearance reviewing authority, shall, as appropriate:
    - (i) Request approval by telephone. The approving authority's staff shall confirm the results in writing to the contracting officer, who shall include it in the official contract file;
    - (ii) Submit a contracting officer letter describing the changes and requesting approval of the revision; or
    - (iii) Submit a revised RBC.

**5301.9010 Business clearance session procedures.****5301.9010-1 Applicability.**

(a) For competitive acquisitions, a business clearance session, co-chaired by the approving and reviewing authorities, will be convened with the concurrence of both the reviewing and approving authority. It is not required in competitive acquisitions in which award is made without discussions, because the findings of the reviewing authority will be presented by the contracting officer to the SSAC (or equivalent) when it convenes to consider the SSEB recommendation to award without discussions. It is not normally required in competitive acquisitions with discussions, unless specifically requested by the reviewing or approving authority.

(b) For noncompetitive acquisitions, the reviewing or approving authority will decide if a business clearance session is necessary based upon the need for an in-depth joint review of specific negotiation issues by both the reviewing and the approving authority. To assist the reviewing and approving authority in determining the need for a clearance session, the contracting officer will include business clearance session charts (in accordance with 5301.9010-5 (b)) in the request for business clearance package. The contracting officer and support personnel shall be available to discuss the RBC package, including the briefing charts, with the BCRA.

**5301.9010-2 Scheduling.**

(a) The business clearance session shall take place after the reviewing authority has completed the actions required in 5301.9009 (c)(1) and (2).

(b) The reviewing authority, in coordination with the contracting officer, shall decide how much time to schedule for the session. The length depends on the complexity of the contract action, and the number and complexity of the issues that need to be discussed.



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(c) The reviewing authority shall schedule the session. Once it is on the approving authority's calendar, the reviewing authority shall inform the contracting officer of the date and time.

**5301.9010-3 Negotiation team preparation.**

Concurrent with submitting the RBC, the contracting officer shall begin to coordinate the negotiation team's efforts to prepare for the session. Preparation includes:

(a) Arranging for appropriate people to attend. Attendance should be limited to the session chairpersons, their selected staff members, if any, the program manager, and members of the negotiation team to include legal counsel when appropriate. The contracting officer shall provide the list of attendees in advance to the reviewing authority's staff; and

(b) Ensuring that the contracting officer, together with accompanying members of the negotiating team, have a complete grasp of the RBC and all associated issues, and are fully prepared to discuss them during and after the briefing.

**5301.9010-4 Session agenda.**

- (a) Introductions;
- (b) Briefing by the negotiation team to the chairpersons;
- (c) Open discussion of issues not fully discussed or resolved during the course of the briefing; and
- (d) Approving authority's remarks. The approving authority may or may not make a decision on the RBC during the session.

**5301.9010-5 Briefing requirements for noncompetitive acquisitions.**

(a) *Purpose.* The session provides a forum for full and open discussion of the contract action that is the subject of the RBC. It allows the members of the Air Force Negotiation Team (AFNT) to present their plans and to discuss any concerns one-on-one with the reviewing and approving authorities. This communication ensures:

- (1) Line management (the approving authority) has an opportunity to:
  - (i) Have the contract action explained by the AFNT;
  - (ii) Discuss problems or controversial issues that will be subject to negotiation; and
  - (iii) Obtain any additional information desired prior to deciding how to respond to the RBC.

(2) The contracting officer:

- (i) Has first hand knowledge of the reviewing and approving authorities' positions on major negotiation issues; and
- (ii) Takes a complete understanding of line management's interests, concerns, and support into the next stage of the negotiation process.

(b) *Content.* The negotiation team's briefing shall include the following information:

- (1) Members of the negotiation team;
- (2) Overview and status of user needs, program direction, and acquisition plan;
- (3) Description of what the Government is buying, including a picture of the item, if possible. List specific items to be bought or tasks to be performed. Clearly differentiate between basic contract requirements and options;
- (4) Negotiation objectives. The objectives are the negotiating team's true goals, i.e., the agreements the team hopes to have upon concluding negotiations. These do not represent "going-in positions" (covered under (5) "Negotiation strategy and tactics," below). For each item discussed, present the contractor's proposed position and the objective, and identify any anticipated negotiation problems or issues. Identify the negotiation team's approach to dealing with each of the following:

- (i) Requirements and technical approach, including delivery schedule or period of performance;

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(ii) Financial terms and conditions. Examples include when major deliverables are to be accepted, any payment arrangements other than those provided by standard FAR clauses, funding limitations, and indemnification clauses;

(iii) Other terms and conditions. Examples include data rights agreements, product warranties, conflict of interest clauses;

(iv) Pricing information:

(A) Prior purchase history;

(B) Major task or item prices;

(C) Major cost elements. Address significant contract audit or field pricing recommendations not accepted by the negotiation team;

(D) Profit or fee;

(E) Incentive arrangement(s). Explain specific Government objectives and demonstrate how the incentive structure was developed to achieve those objectives. For the contract type pricing arrangement (e.g., FPIF), use graphs to illustrate the cost/profit relationship embodied in the contractor's proposal and the Government's objective. Where other incentives are being used (e.g., performance incentives, schedule incentives, or award fee), describe any required or implicit interrelationships among the incentives and be prepared to provide examples of how they will operate in foreseeable situations; and

(F) Other pricing terms and conditions, such as economic price adjustment clauses and pricing adjustment agreements (sometimes referred to as savings clauses), which call for a price adjustment if certain events occur;

and

(5) Negotiation strategy and tactics:

(i) Pressures on the Air Force and the contractor;

(ii) Negotiation schedule and agenda; and

(iii) "Going-in" positions on major negotiation issues.

#### **5301.9010-6 Briefing requirements for competitive acquisitions.**

(a) *Purpose.* The session provides a forum for full and open discussion of the competitive acquisition. It allows line management (the approving authority) to: (1) ensure the integrity of the competitive process has been maintained; (2) discuss any unresolved issues, and how the contracting officer plans to resolve them in the request for BAFOs; and (3) understand the extent to which terms and conditions have been finalized with each offeror prior to requesting BAFOs and, as a corollary, which terms and conditions remain subject to change by the BAFOs.

(b) *Content.* The negotiation team's briefing shall include the following information:

(1) The information required in 5301.9010-5 (b)(1), (2), and (3);

(2) A description of any changes to the following elements of the solicitation's model contract based on proposals or discussions:

(i) Requirements and technical approach, including delivery schedule or period of performance;

(ii) Terms and conditions as described in 5301.9010-5 (b)(4)(ii) through (iv); and

(iii) Pricing expectations, including contract type, major task or item prices, profit or fee percentages, and incentive arrangements. (Include any pertinent prior purchase history or assumptions underlying these expectations.);

(3) A summary of the evaluation process. Discuss:

(i) RFP Section M approach;

(ii) Scope and seriousness of clarification requests and deficiency reports as defined in AFFARS Appendix AA or equivalent. This should include exceptions taken by the offeror(s) to the model contract's terms and conditions;

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(iii) Each unresolved deficiency report on offerors remaining in the competitive range and the negotiation team's recommendation for resolving it;

(iv) Each unique provision proposed by an offeror that requires special approval (e.g., a one-time deviation to the FAR or one of its Supplements). If the approval has not yet been obtained, explain why and provide status of the request for approval; and

(v) The realism of cost/price proposals. If adequate price competition was anticipated, the contracting officer's assessment with regard to whether it will be obtained;

and

(4) An outline of the request for BAFOs:

(i) Time allowed for submission of BAFOs;

(ii) Which terms and conditions have been finalized with each offeror, and which remain subject to change by the BAFOs; and

(iii) How the request for BAFOs deals with any unresolved deficiency reports.

**5301.9011 Content of the Request for Contract Clearance (RCC).**

(a) *RCC format and content.* The RCC for noncompetitive acquisitions shall contain information in the format presented in Attachment 5301-3. In those exceptional cases when an RCC is necessary for a competitive acquisition, the contracting officer shall consult the reviewing authority's staff to determine what to include in the RCC.

(b) *Related documents.* The contracting officer shall submit the following documents with the RCC for a noncompetitive acquisition:

(1) The negotiated contract document bearing the contractor's signature and ready for signature by the contracting officer;

(2) The final price negotiation memorandum. This document must satisfy the requirements in FAR 15.808. It must incorporate the unchanged preliminary PNM, which accurately describes the proposed and objective positions as of the time of the business clearance. Any revised proposals or revised objectives occurring after the business clearance document was signed must be described in the body of the final PNM. The final PNM may incorporate the preliminary PNM content into an integrated, single document. An acceptable alternative is for the body of the final PNM to:

(i) Refer to the preliminary PNM as an attachment; and

(ii) Provide all other information required to constitute a complete PNM meeting the requirements in FAR 15.808.

(3) The official contract file, including all applicable items in the Contract File Content Checklist (AF Form 3019). For noncompetitive actions for which the contract clearance approving authority was the business clearance reviewing authority, the contracting officer may provide an abbreviated file containing only the following documents:

(i) The Certificate of Current Cost or Pricing Data;

(ii) A copy of each audit or field pricing report not included or considered in the Request for Business Clearance;

(iii) Funding documents (e.g., certified Procurement Request or Administrative Commitment Document);

(iv) Legal review (AF Form 3059); and

(v) The DD Form 350, Individual Procurement Action Report.

**5301.9012 Contract clearance procedures.**

**5301.9012-1 Competitive acquisitions.**

(a) Contract clearance is not required for competitive acquisitions unless requested by the contracting officer or directed by the BCRA.

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(b) Reasons for requesting or directing the contract clearance include, but are not limited to, situations in which:

- (1) Expected adequate price competition is not obtained;
- (2) Significant issues remain unresolved after receipt and evaluation of BAFOs;
- (3) One or more offerors introduce a significant change in the BAFO, either to the anticipated pricing arrangement or to contract terms and conditions; and
- (4) There are procurement integrity concerns or the potential for debarment or suspension.

(c) The contracting officer shall request contract clearance by submitting a RCC (see 5301.9011 (a)) to the CCAA. By submitting the RCC, the contracting officer is requesting assistance in resolving the matter(s) that necessitated the contract clearance and approval to award the proposed contract.

**5301.9012-2 Noncompetitive acquisitions.**

(a) After concluding negotiations and reaching agreement with the contractor, the contracting officer shall prepare a RCC in accordance with 5301.9011.

(b) The contracting officer shall submit the RCC and all related documents to the CCAA, and in so doing request approval to award the proposed contract, which implements the negotiated business arrangement.

**5301.9012-3 Contract Clearance Approving Authority (CCAA).**

(a) The CCAA shall take the following actions:

- (1) Review the RCC in accordance with 5301.9003-2 (c)(3);
- (2) Discuss with the contracting officer any elements that do not meet the standards in 5301.9005. All deficiencies should be corrected before the approving authority makes a decision on the RCC;
- (3) Assist the contracting officer in resolving any matters that necessitated the competitive acquisition RCC;
- (4) Consistent with 5301.9003-2 (c)(1) and (3), approve, approve with conditions, or disapprove the RCC.
  - (i) The decision to approve the RCC shall be documented by the approving authority signing a contract clearance.
  - (ii) The decision to approve the RCC with conditions shall be documented by the approving authority signing a contract clearance that enumerates the conditions that must be met before the contracting officer proceeds with the requested action.
  - (iii) The decision to disapprove the RCC shall be documented by the approving authority signing a letter to the contracting officer that:
    - (A) Cites the RCC;
    - (B) States that the RCC is disapproved;
    - (C) Establishes a date by which a revised RCC must be submitted; and
    - (D) Identifies the issues that must be resolved before the revised RCC is submitted.

(b) 5301.9006-2 applies.

**5301.9012-4 Contracting officer.**

The contracting officer shall not sign the contract until the contract clearance is received. If the contract clearance document states any conditions, the contracting officer shall not proceed with the requested action until all conditions have been met. The contracting officer shall document for the contract file the specific actions taken to satisfy each condition.

**ATTACHMENT 5301-1 FORMAT FOR REQUEST FOR RFP REVIEW**

FOR OFFICIAL USE ONLY

NEGOTIATION SENSITIVE OR

SOURCE SELECTION SENSITIVE INFORMATION—SEE FAR 3.104

REQUEST FOR RFP REVIEW TO: \_\_\_\_\_ (1)

SUBJECT: \_\_\_\_\_ (2)

1. Pertinent Information:

- a. Program Type:    ☐ Major Program;    ☐ Selected Program;    ☐ Other Program;  
                                 ☐ Other Contracting;    ☐ Assigned to PEO;    ☐ Assigned to DAC.
- b. Type Action:    ☐ Development/Production;    ☐ Support/Sustainment.
- c. Estimated Dollar Value: \_\_\_\_\_ . (3)
- d. Brief Program Description: \_\_\_\_\_  
\_\_\_\_\_ .
- e. Solicitation Number: \_\_\_\_\_ .  
Date of Issuance: \_\_\_\_\_ . Closing Date \_\_\_\_\_ .
- f. ☐ Competitive; ☐ Noncompetitive.
- g. Negotiator: \_\_\_\_\_ . Phone: \_\_\_\_\_ .

2. Documents provided in accordance with AFFARS 5301.9007 (b):

- ☐ RFP
- ☐ Official contract file, including all applicable items in the Contract File Content Checklist.

3. Any other information the contracting officer considers useful to the reviewing authority. (4)

\_\_\_\_\_  
Signature of Contracting Officer

Name:

Title:

Office Symbol:

NOTES:

- (1) Office symbol of RFP review authority.
- (2) Program name and what is being acquired.
- (3) Estimate the dollar value in accordance with AFFARS 5301.9006.4 and enter the appropriate dollar range: Under \$25 million; \$25 - \$50 million; \$50 - \$100 million; \$100 - \$500 million; \$500 million - \$1 billion; Over \$1 billion.
- (4) List each point and provide a brief narrative statement. If none, state "None."

## PART 5301—FEDERAL ACQUISITION REGULATIONS SYSTEM

**ATTACHMENT 5301-2 FORMAT FOR REQUEST FOR BUSINESS CLEARANCE**

FOR OFFICIAL USE ONLY

NEGOTIATION SENSITIVE OR

SOURCE SELECTION SENSITIVE INFORMATION—SEE FAR 3.104

*[Insert date]*

REQUEST FOR BUSINESS CLEARANCE THROUGH: \_\_\_\_\_ (1)  
 TO: \_\_\_\_\_ (2)

SUBJECT: \_\_\_\_\_ (3)

1. I hereby request approval, in accordance with AFFARS 5301.9009, to:

- \_\_\_ begin negotiations in this noncompetitive acquisition;  
 \_\_\_ award without discussions in this competitive acquisition; or  
 \_\_\_ request best and final offers in this competitive acquisition.

2. Pertinent information:

a. Program Type: \_\_\_ Major Program; \_\_\_ Selected Program; \_\_\_ Other Program;  
 \_\_\_ Other Contracting; \_\_\_ Assigned to PEO; \_\_\_ Assigned to DAC.

b. Type Action: \_\_\_ Development/Production; \_\_\_ Support/Sustainment.

c. Brief program description: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

d. Solicitation Number \_\_\_\_\_ was issued \_\_\_\_\_ and amended as follows: \_\_\_\_\_ (4)

e. Kind of contracting action in accordance with AFFARS 5301.9006-3 (a) \_\_\_\_\_ (5)

f. Anticipated value of this contracting action: \_\_\_\_\_ (6)

g. Negotiator: \_\_\_\_\_ Phone: \_\_\_\_\_

Price Analyst: \_\_\_\_\_ Phone: \_\_\_\_\_

3. Documents provided\* in accordance with AFFARS 5301.9008 (b):

- \_\_\_ RFP, including amendments  
 \_\_\_ Preliminary price negotiation memorandum (if noncompetitive)  
 \_\_\_ Final price negotiation memorandum (if award w/o discussion)  
 \_\_\_ Request for BAFOs, if applicable  
 \_\_\_ Determination of adequate price competition, if applicable  
 \_\_\_ Official contract file, including all applicable items in the Contract File Content Checklist  
 \_\_\_ Pertinent portions of proposal(s)  
 \_\_\_ Source selection documentation, if applicable  
 \_\_\_ Business Clearance charts  
 \_\_\_ Other: (specify)

These documents are provided in the form of \_\_\_ file folders and/or \_\_\_ three-ring binders.

\* Means “made available to the reviewing authority’s staff” when the review is performed on-site.

## 4. Remainder of Planned Acquisition Schedule:

<u>DATE</u>	<u>IF NONCOMPETITIVE</u>	<u>IF COMPETITIVE</u>
_____	Begin negotiations	Request BAFOs
_____	Conclude negotiations	Receive BAFOs
_____	Request Contract Clearance	Complete evaluation report for SSA
_____	Award (contract or modification)	SSA Decision
_____		Award contract

5. If noncompetitive: Significant points for negotiations, not directly related to pricing, that are not addressed in the preliminary PNM. (7)

If competitive: Any unresolved issues of the type described in AFFARS 5301.9010-6 (b)(3)(iii) or (iv). (7)

6. Any other points the contracting officer considers useful to the reviewing authority. (7)

\_\_\_\_\_  
Signature of Contracting Officer

Name:

Title:

Office Symbol:

## NOTES:

- (1) Office symbol of business clearance reviewing authority.
- (2) Office symbol of business clearance approving authority.
- (3) Program name and what is being acquired.
- (4) List amendment numbers and issue dates.
- (5) Identify the kind of contract action requiring Business Clearance in accordance with AFFARS 5301.9006-3 (a).
- (6) Estimate the dollar value in accordance with AFFARS 5301.9006-4, and enter the appropriate dollar range: Under \$25 million; \$25 - \$50 million; \$50 - \$100 million; \$100 - \$500 million; \$500 million - \$1 billion; Over \$1 billion.
- (7) List the points and attach a brief narrative statement for each. If none, state "None."

## PART 5301—FEDERAL ACQUISITION REGULATIONS SYSTEM

**ATTACHMENT 5301-3 FORMAT FOR REQUEST FOR CONTRACT CLEARANCE**

FOR OFFICIAL USE ONLY

NEGOTIATION SENSITIVE OR

SOURCE SELECTION SENSITIVE INFORMATION—SEE FAR 3.104

[Insert date]

REQUEST FOR CONTRACT CLEARANCE TO: \_\_\_\_\_ (1)

SUBJECT: \_\_\_\_\_ (2)

1. To implement the business arrangement negotiated pursuant to Business Clearance dated \_\_\_\_\_, I hereby request authorization to award contract \_\_\_\_\_.

2. Negotiator: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Price Analyst: \_\_\_\_\_ Phone: \_\_\_\_\_

3. Documents forwarded in accordance with AFFARS 5301.9011 (b):

- \_\_\_ Negotiated contract document.  
 \_\_\_ Final price negotiation memorandum.  
 \_\_\_ File documentation, as required.  
 \_\_\_ Other: (specify).

These documents are forwarded in the form of \_\_\_ file folders [and/or] \_\_\_ three-ring binders.

4. The business clearance [was/was not] based, in part, on the RBC description of significant points for negotiation not addressed in the preliminary PNM. (If the clearance *was* based on such information, include the following sentence.) For each of those points, Atch 1 explains (a) additional pertinent information obtained during negotiations; (b) key interests or concerns of the parties expressed during negotiations; and (c) the final agreement on the point.
5. During negotiations, other significant issues [did/did not] arise that are not fully addressed in the PNM. (If points *did* arise, include the following sentence.) For each of these points, Atch 2 explains (a) the issue; (b) how the issue arose; (c) the offeror's position; (d) the Government's position; and (e) the result of negotiations on the issue.

\_\_\_\_\_  
 Signature of Contracting Officer

Name:

Atch

Title:

1. Results of negotiations on points noted in RBC.

Office Symbol:

2. Other significant issues arising during negotiations.

## NOTES:

- (1) Enter office symbol of contract clearance approving authority, determined by referring to AFFARS Attachment 5301-6.  
 (2) Enter same subject as on RBC and date of RBC.  
 (3) Enter contract number and modification number, if applicable.



**ATTACHMENT 5301-4 FORMAT FOR BUSINESS CLEARANCE (APPROVAL TO PROCEED)**

FOR OFFICIAL USE ONLY

NEGOTIATION SENSITIVE OR

SOURCE SELECTION SENSITIVE INFORMATION—SEE FAR 3.104

[Insert date]

BUSINESS CLEARANCE

REFERENCE: (a) Business Clearance Number \_\_\_\_\_ (1)  
(b) Request for Business Clearance dated \_\_\_\_\_,

SUBJECT: \_\_\_\_\_ (2)

1. As the business clearance approving authority designated by AFFARS 5301.9006-5, I hereby approve the reference (b) request. (1)
2. If it is necessary to revise the Government's price objective, the revised objective must be approved by this office if it falls outside the following range: \_\_\_\_\_. (3)
3. Conditions on this approval are: (4)

\_\_\_\_\_  
Signature of Approving Authority

Name:

Title:

Office Symbol:

NOTES:

- (1) Enter identifying number assigned by reviewing authority's office.
- (2) Enter same subject as on RBC.
- (3) See AFFARS 5301.9009 (d)(1). Enter the range (in dollars or as a percentage of the approved objective) in which the approving authority will forego personal involvement in the approval of a revised objective. (NOTE: AFFARS 5301.9009 (d)(2) only applies to noncompetitive acquisitions or request for BAFO situations that do not involve adequate price competition.) Omit this paragraph from the business clearance document, if it does not apply.
- (4) See AFFARS 5301.9009 (d)(2). List any conditions on the clearance. If there are none, state "None."

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**ATTACHMENT 5301-5 FORMAT FOR CONTRACT CLEARANCE (APPROVAL TO AWARD)**

FOR OFFICIAL USE ONLY

NEGOTIATION SENSITIVE OR

SOURCE SELECTION SENSITIVE INFORMATION—SEE FAR 3.104

*[Insert date]*

CONTRACT CLEARANCE

REFERENCE: (a) Contract Clearance Number \_\_\_\_\_ (1)  
 (b) Request for Business Clearance dated \_\_\_\_\_,

SUBJECT: \_\_\_\_\_ (2)

1. As the contract clearance approving authority designated by AFFARS 5301.9006-5, I hereby approve the reference (b) request.

2. Conditions on this approval are: (3)

\_\_\_\_\_  
 Signature of Approving Authority

Name:

Title:

Office Symbol:

NOTES:

- (1) Enter identifying number assigned by reviewing authority's office.
- (2) Enter same subject as on RCC.
- (3) See AFFARS 5301.9012-3 (a)(4). List any conditions on the clearance. If there are none, state "None."

## ATTACHMENT 5301-6 REVIEW AND APPROVAL THRESHOLDS

**ATTACHMENT 5301-6 REVIEW AND APPROVAL THRESHOLDS**  
**REVIEW/APPROVAL AUTHORITIES**  
**MAJOR, SELECTED, OR OTHER PROGRAMS ASSIGNED TO A PEO/DAC**

TYPE ACTION EST. VALUE SUPPORT and SUSTAINMENT	<u>AUTHORITY LEVEL</u>				
	<u>COMP</u>	<u>RFP</u> <u>NON-COMP</u>	<u>BCRA</u>	<u>BCAA</u> <u>COMP.</u>	<u>CCAA</u> <u>NON-COMP</u>
< \$15M	BOCO	BOCO	BOCO	PEO/DAC (4)	BOCO
≥ \$15M & < \$50M	SCCO	BOCO	SCCO	PEO/DAC (4)	SCCO
≥ \$50M	AFMC/PK	SCCO	AFMC/PK (1)	PEO/DAC (4)	AFMC/PK (3)
DEVELOPMENT and PRODUCTION					
< \$25M	BOCO	BOCO	BOCO	PEO/DAC (4)	BOCO
≥ \$25M & < \$100M	SCCO	BOCO	SCCO	PEO/DAC (4)	SCCO
≥ \$100M	AFMC/PK	SCCO	AFMC/PK (1)	PEO/DAC (4)	AFMC/PK (3)

(1) AFMC/PK may delegate Business Clearance Review Authority to the Senior Center Contracting Official (SCCO) on a case-by-case basis. AFMC/PK shall notify the PEO/DAC of such delegation.

(2) The PEO/DAC may delegate noncompetitive business clearance approvals to the System Program Director (SPD) on a case-by-case basis. The PEO/DAC shall notify AFMC/PK, when business clearance approval is delegated.

(3) Contract clearances normally are only required on noncompetitive actions. AFMC/PK may delegate contract clearance, on a case-by-case basis to the SCCO.

(4) When the PEO/DAC delegates Source Selection Authority (SSA), the delegate will also serve as BCAA, in accordance with 5301.9006-7 (a).

(5) The PEO/DAC may delegate noncompetitive business clearance approvals to the System Program Director (SPD) on a case-by-case basis. The SPD may redelegate to the System Support Manager (SSM) or the Development Support Manager (DSM).

(6) The SPD may delegate noncompetitive business clearances to the SSM or the DSM.

NOTE: Attachment 5301-6, Review and Approval Thresholds, apply under \$5 million, absent specific delegations established pursuant to 5301.9006-3 (c).

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